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06 February 2024

To: All Members of the Cabinet

Dear Member,

Cabinet - Tuesday, 6th February, 2024

I attach a copy of the following reports for the above-mentioned meeting which were not available at the time of collation of the agenda:

9. 2024-25 BUDGET AND 2024-2029 MEDIUM TERM FINANCIAL STRATEGY REPORT (PAGES 1 - 14)

Additional Scrutiny Recommendations

Yours sincerely

Ayshe Simsek
Democratic Services and Scrutiny Manager
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LATE URGENT BUSINESS SHEET

Report Title: 2024-25 Budget and 2024-2029 Medium Term Financial Strategy

Committee: Cabinet 06 February 2024

Date: 06 February 2024

Reason for lateness and reason for consideration

Under s100B(4)(b) of the Local Government Act 1972, and Part 4 Section C of the Council's Constitution the Chair of the meeting can allow a late item/ report to be considered at a meeting if satisfied that there are special circumstances. These circumstances are that Overview and Scrutiny met on the 1st of February, after the publication of Cabinet papers, to consider the updates to the 2024-25 Budget and 2024-2029 Medium Term Financial Strategy compiled in January 2024. In accordance with the Overview and Scrutiny Procedure at Part 4 Section G of the Constitution and the Overview and Scrutiny Committee Protocol, this Committee was required to scrutinise the budget and make recommendations for Cabinet response.

The additional Scrutiny recommendations arising from their meeting held on the 1st of February are attached and responses from the Cabinet included for approval as part of the budget papers which will go to Full Council in March.

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Overview & Scrutiny Committee					
Ref	MTFS Proposal	Further info requested by the Panel (if appropriate)	Comments/Recommendation	Cabinet Response Req'd (Yes/No)	Cabinet to agree not agree/partially agree recommendation
Recommendation 13	Reserves		The Committee were concerned about the level of reserves that would be left at the end of 2024/25. The 2023/24-year end overspend which at Qtr2 was forecast to be £20m (part mitigated by the application of the c. £7m contingency – leaving £13m; plus, the planned £5.9m use of reserves to balance the 2024/25 Budget. This would leave around £4m left in useable reserves against an overall earmarked figure of £30m of reserves. The Committee seeks assurance that the reserves position will continue to be closely monitored.	Yes response to be added below	Agreed
Cabinet Response to Recommendation 13	Cabinet are concerned about the level of reserves and confirm that close monitoring of Council reserves is always in place and will continue to be so. The government has called on councils with budget shortfalls to use their reserves to fill the gap. This is not a sustainable long-term solution. Reserves can only be spent once, so as a responsible local authority we have sought to minimise their use as much as possible. It should be noted that in addition to the amounts described above, the Council also holds its General Fund reserve balance of £15.2m				

Recommendation 14	E&RE growth of £946k for the delivery of Leisure management services in – house.		There was discussion on the benefits of insourcing leisure services and the factors that have been considered such as gaining management of this service, limiting future additional costs, safeguarding the services, obtaining more democratic accountability. Also, the positive impact that this decision will have when considered as part of the wellbeing strategy. The benefits outlined would also bring down costs elsewhere in the budget. The Committee agreed to recommend to Cabinet that the long term positive impact of this budget allocation on other areas of the budget is set out in next year’s budget.	Yes response to be added below	
Cabinet Response to Recommendation 14	Not all the benefits associated with the decision to insource can be monetarily reflected in the Council’s budget, such as the value of being able to exert more control and direction and responsive to residents and the services/classes they would like to see provided via the leisure centres in Haringey. Cabinet is committed to the long-term viability of its leisure services as part of our wellbeing strategy for the benefit of residents.				
Recommendation 15	AHC24_SAV_012 – Strength based working.		The Committee noted that a piece of work was ongoing with Haricare to map out details of support groups available in each of the three locality areas in the Borough and that this information would be integrated into the locality model. The	Yes – response to be added below	Agreed

			Committee sought assurances that this information would be made widely available to residents and the local community & voluntary sector through various communication channels and not only through the Haricare website.		
Cabinet Response to Recommendation 15	<p>We want to develop Haricare and ensure that all information is accurate, adding new information and removing anything that is no longer relevant in response to the needs of residents.</p> <p>Our ongoing service improvement work (in line with CQC inspection requirements) has also highlighted the need to improve communication with residents and that includes considering how we ensure our communication, in this instance regarding support, activities etc, is accessible, therefore we are thinking about the different models of sharing information so that they are inclusive.</p> <p>We also have currently in the East and West localities, something called the 'Padlet' (like a leaflet but easily updated online) which has been developed to support staff to use with residents to look at events, activities and key contacts within the area.</p> <p>There are other developments with regards to Apps for residents to use that we will continue to work up and use resident feedback to implement.</p> <p>The localities themselves will have information for all to access via staff that they can share, and visual information within the locality building.</p>				
Recommendation 16	Council Tax arrears at paragraph 6.29		The Committee seeks assurances in relation to the sixth bullet point at paragraph 6.29 of the report that <i>"The Revenues service have been given one-off resources to focus on the collection of</i>	Yes Response to be	Clarified.

	main Budget report 6 Feb		<i>arrears. On the back of this, a one-off £1m additional income has been assumed as deliverable in 2024/25 and was included in the December draft budget report".</i> The Committee seek clarification from Cabinet about the nature of this one-off resource for collecting arrears i.e. what is the resource, is it additional staff? Where in the budget is this reflected?	added below	
Cabinet Response to Recommendation 16	This one-off resource is c. £45k to employ a temporary resource to bring in hard to recover arrears, offset by an assumed decrease in the required level of bad debt provision.				

Overview & Scrutiny Committee					
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Recommendation 17	Table 7.1b paragraph 40 &Appendix 2b		Reference was a made to the table at paragraph 7.40 in the Budget report that showed a total new growth of £24,707,000 and when this was compared to the December Cabinet report on the budget, at paragraph 7.42, and the same table 7.1b, this showed the total as £24,992,000. This was a difference of 285,000 less. Then reference was made to appendix 2b - new growth identified post 5 th of	Yes – response to be added below	Clarified.

			<p>December and the total of £715k showing new growth.</p> <p>The Committee requested a clear explanation from Cabinet about what appears to be a reduction of £1m of new growth from the December Cabinet Report to the February Cabinet Report. The Committee would like clarification on whether this is new growth proposals that are not progressing or whether this was a printing error.</p>		
<p>Cabinet Response to Recommendation 17</p>	<p>Firstly, it should be clarified that the growth figures built into both the December and February main budget and MTFS calculations were correct and that the sentences below describe errors in the reporting narrative.</p> <p>Importantly Table 7.1b in the 2024/25 Budget report to Cabinet on 6 February 2024 is correct, showing a total new growth of £38.6m over the 5 years of the MTFS.</p> <p>However, figures in paragraph 7.39 of the 6 February report relating to growth changes were not correct as they drew upon Table 7.1b in the December draft Budget report, which contained one line of erroneous growth figures. The new growth figure in the December report should have read £37.9m (across the 5 years of the MTFS). This became £38.6m in the February report with the additional growth of £0.715m described in the February paper.</p>				

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Recommendation 18	CE24_SAV 012 - Library Hard Copy Titles		In relation to CE24_SAV 012 - Library Hard Copy Titles - This was showing as a £25k saving in appendix 3b which was on the list of new savings identified post December 2023. However, this was an existing saving in December 2023 of £30k. The Committee sought assurance that only £25k of savings would go forward and that clarification be provided at Cabinet that this was not an error in the report and that the correct total savings figures was being presented in the budget report to Cabinet.	Yes response to be added below	Clarified.
Cabinet Response to Recommendation 18	Cabinet confirms that the original £30k saving proposal (CSE24_SAV_003) included in the December draft Budget report has been removed from the budget and replaced by a revised proposal for £25k (CSE24_SAV_012). This reduced figure has been built into the 2024/25 Budget which will be presented to Full Council on 4 March.				

Overview & Scrutiny Committee					
Ref	MTFS Proposal	Further info requested if appropriate)	Comments/Recommendation	Cabinet Response Req'd (Yes/No)	Agreed / Not Agreed/ Partially Agreed
Recommendation 19	CSE24 SAV002		The Committee agreed that there was updated wording provided on Saving CSE24 SAV002 on self-service technology in Libraries as there was an understanding that this saving was no longer being taken forward.	Yes – cabinet Response to be added below	Treatment of this item clarified
Cabinet Response to Recommendation 19	<p>Cabinet confirms that the original wording for Saving SCE24_SAV_002 has been updated. It is proposed that in the Budget papers this item be treated as the saving above and Appendix 3a be annotated to describe that it is being removed and replaced in Appendix 3b with the revised wording which confirms that we are withdrawing the proposal for self-service and community led libraries. There will be no impact on the budget as the proposed savings to be achieved remain the same. Residents got in touch with us as part of the budget consultation on a number of issues including libraries and we will continue to work with them on the next steps to shape our Libraries Strategy through co-production. Our commitment is to develop a full Libraries Strategy by engaging with Friends groups, library users, library staff and others to identify all possible options to safeguard our libraries and put them on a long-term sustainable footing, within the reduced council resources available.</p>				

Overview & Scrutiny Committee					
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Recommendation 20	. Saving CSE-SAV-002		There was a discussion on the assessment of individual library opening hours and noted that there would be an equalities impact assessment for each Library and wider consultation undertaken. The Committee seek assurances from Cabinet that EQIAs will be undertaken for each library, and that the EQIA's will be	Yes – Cabinet Response to be added below	Agreed.

			undertaken before any changes are made to the opening hours.		
Cabinet Response to Recommendation 20	Cabinet confirm that full equalities impact assessments will be done for each of the detailed individual library opening hours proposals as each library serves different communities with different needs. The needs and characteristics of the residents who live closest to Highgate Library, for example, are very different from those who rely on Coombes Croft and so the equalities-related impacts and mitigations will be different. The individual EqlAs will take account of these differences.				
Recommendation 21	Consultation on the budget		The Committee recommend that Schools and 6th Forms are included in budget consultation activities in the next Budget consultation process.	Yes	Agreed
Response to Recommendation 21	We thank the committee for the recommendation to do more to encourage the participation of young people in the Budget consultation via schools and colleges. This is a really positive suggestion. The timelines are very challenging as the consultation period currently falls between December Cabinet and February Cabinet – a period when schools and colleges are closed for at least two weeks. However, we will be looking at all the feedback we have had about how we can improve the consultation and engagement around the budget ahead of next year’s process including what can be done earlier in the autumn.				

Recommendation 22	EN24 SAV 009		The Committee agreed to add in the proposed review of Council Tax reduction Scheme planned for 2025/2026 - 2026/2027 to the work plan for the Climate, Community Safety and Culture Scrutiny Panel Work Plan.	No	
Cabinet Response to Recommendation 22	None requested.				
Recommendation 23	Capital Programme		The Committee found it difficult to ascertain which were the new schemes within the Capital programme and which we are existing schemes. The Committee requested that new revenue saving proposals are clearly highlighted in future budget scrutiny reports and that, in particular, new schemes within the Capital Programme are clearly demarcated from existing schemes.	Yes to be set out below	Partially Agreed

**Cabinet Response to
Recommendation 23**

We will review how changes to revenue and capital budgets are shown in the MTFS report. It is to be noted that all existing capital programmes and new capital propositions are to be found in Appendix 4 & 5 of the report.

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